

SECRET

25X1

OCI No. 2645/65

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
21 September 1965

INTELLIGENCE MEMORANDUM

The India-Pakistan Situation
(Report #59 - As of 11:00 A.M. EDT)

1. According to the Bombay radio, India has told the United Nations that it will issue cease-fire orders to its troops if confirmation is received by 0830 EDT 21 September that Pakistan has done the same. Indian willingness to accept an unconditional cease-fire has already been conveyed to the Security Council. Prime Minister Shastri, however, cancelled a statement he was expected to make in parliament today concerning the UN proposal for a cease-fire at the last minute and without explanation.

2. The Karachi press expressed disappointment in the UN cease-fire proposal, voicing its concern that it may represent a "sell out" to the Indians. The demonstrations in Karachi today reportedly followed a general strike which resulted in the closing of all shops and businesses in the city. Further reaction to the Security Council's resolution has been voiced by the Pakistan-sponsored Revolutionary Council of Indian Kashmir [redacted] yesterday stating that the Kashmiri people are not affected by UN decisions nor bound by those of India or Pakistan.

3. The American consulate in Calcutta notes that no air raids have been reported in eastern India since the 14 September Pakistani bombing of the Barrackpore airbase north of Calcutta and land actions have been confined almost entirely to border police.

4. India's relations with Indonesia continue to deteriorate. The Indonesian government today placed all Indian property in Indonesia under government supervision. The Indian Minister of External Affairs announced, however, that India has decided not to withdraw Indian diplomatic personnel from Indonesia as had been planned previously.

State Department review completed

SECRET

25X1

SECRET

25X1

5. Reuters reports that Indian troops on the Sikkim frontier today returned fire from the Chinese side. The Defense Ministry described the encounter as a minor exchange of small arms fire. This is the first time Indians and Chinese have exchanged fire in this area since the cease-fire following the border war of 1962.

6. Diplomatic sources in Rangoon said India has appealed to Burma--one of the Colombo powers--to restrain Red China from intervening in the war between India and Pakistan. Similar appeals are reportedly being sent to all other Colombo Powers except Indonesia. The Ceylon Daily News also reports that the Indians have asked the Ceylonese to intercede in the Sino-Indian dispute.

7. The World Bank has decided to postpone the consortium meeting scheduled for 23 September at which nine nations, including the US, were to have discussed commitments for the economic development of Pakistan.

25X1

SECRET